GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:257
ANSWERED ON:19.02.2003
DOMESTIC CAPITAL INVESTMENT IN IT SECTOR
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

:-

(a) whether domestic capital investment in the Information Technology Sector of the country has been constantly increasing during the last few years;

(b) if so, the quantum of total domestic capital investment made in the IT Sector during the years 1999-2000, 2000-2001 and 2001-2002;

(c) the target set in this regard during the current financial year i.e. 2002-2003; and

(d) the profit earned by this sector during each of the last three years;

Answer

MINISTER OF STATE FOR COMMUNICATION AND INFORMATION TECHNOLOGY (SU THIRUNAVUKKARASAR)

(a),(b) and (c): No large or significant capital investments have been made in the past few years including 2002-03 in this sector. Inview of the several constraints and disability factors, faced by I T hardware manufacturing sector (Computer / Electronic Data Processing Systems/products), the focus of the industry has been on better utilisation of investment already made.

As per the report of the Tenth Plan Working Group on IT, production targets for the computer hardwae sector for 2002-03 (in realistic scenario) is Rs.4800 crores.

(d): The computer hardware manufacturing industry has witnessed attrition of operating margins over the years, which presently are in the range of 2-4%.